

*M. Dias Branco*



Earnings  
Release  
**1Q24**

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**MDIA3**

May 10<sup>th</sup>, 2024

## Net Income of R\$ 155 million in 1Q24, 122% higher than in the first quarter of last year.



**R\$ 2.1 billion** in 1Q24, 13.9% lower than in 1Q23, due to lower average prices and the scheduled interruption of operations in early January for the change of the EBS\* system to SAP S4 Hana\*\* system. Operations returned to normal levels starting in February;

*\*EBS: Oracle management system; \*\*SAP S4 Hana: SAP management system.*



**Market share volume gain** vs. 4Q23: Cookies & Crackers +1 p.p., Pasta +0.4 p.p., and Wheat Flour +0.9 p.p.;



**R\$ 277.3 million** in EBITDA in 1Q24, 59.6% higher than in 1Q23, and a **Record for a first quarter!!!**;



**EBITDA Margin of 13.0%** in 1Q24 (7% in 1Q23), with sequential expansion throughout the months, reaching **16.2% on Mar/24**;



**R\$ 138 million** in operating cash generation in 1Q24 (2.4x higher than 1Q23).

### 1Q24 WEBINAR RESULTS

May 13<sup>rd</sup>, 2024

11h (Brasília time) | 10h (New York time)

Zoom Meetings: [Click Here](#)

Youtube: [Click Here](#)

### MDIA3

Closing on 05/08/2024

Share Price: R\$ 34.55 per share

Market Cap: R\$ 11.7 billion

### IR CONTACT

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## SOLIDARY CAMPAIGN FOR RIO GRANDE DO SUL

The Company expresses solidarity with the population of the state of Rio Grande do Sul, which is suffering from the biggest flood in history, and has implemented the following actions:

- Up to this date, 47 tons of food destined for donation, which are being delivered to the people affected;
- Advance of the first installment of the 13th salary to employees of the Bento Gonçalves unit;
- Mapping of employees whose homes were affected for financial support, product baskets and psychological assistance;
- Internal crowdfunding campaign with the purpose of raising resources to be allocated to our employees in Rio Grande do Sul. We encourage all employees to contribute any amount, and for every R\$ 1 thousand raised, the Company will make an additional donation of R\$ 1 thousand.

To our colleagues in Rio Grande do Sul, our solidarity.



## ECONOMIC AND FINANCIAL PERFORMANCE

**MDIA3, the leader in the Brazilian cookies and crackers, pasta, granolas, and healthy cookies markets releases the result for the first quarter of 2024 (1Q24).**

| Financial and Operating Results                     | 1Q24    | 1Q23     | Var. %   | 4Q23    | Var. %  |
|-----------------------------------------------------|---------|----------|----------|---------|---------|
| Net Revenue (R\$ million)                           | 2,140.4 | 2,485.5  | -13.9%   | 2,770.5 | -22.7%  |
| Total Sales Volume (thousand tonnes)                | 397.1   | 402.8    | -1.4%    | 479.5   | -17.2%  |
| Cookies and Crackers Sales Volume (thousand tonnes) | 105.8   | 116.8    | -9.4%    | 134.8   | -21.5%  |
| Pasta Sales Volume (thousand tonnes)                | 81.2    | 79.3     | 2.4%     | 97.6    | -16.8%  |
| Market Share of Cookies and Crackers (volume)*      | 32.6%   | 32.6%    | 0 p.p    | 31.6%   | 1 p.p   |
| Market Share of Pasta (volume)*                     | 28.6%   | 31.7%    | -3.1 p.p | 28.2%   | 0.4 p.p |
| Net Income (R\$ million)                            | 154.9   | 69.9     | 121.6%   | 341.9   | -54.7%  |
| EBITDA (R\$ million)                                | 277.3   | 173.7    | 59.6%    | 442.4   | -37.3%  |
| EBITDA Margin                                       | 13.0%   | 7.0%     | 6 p.p    | 16.0%   | -3 p.p  |
| Net Cash (Debt) (R\$ million)                       | 149.0   | -1,602.7 | n/a      | 73.6    | n/a     |
| Net Cash (Debt) / EBITDA (last 12 months)           | 0.1     | -1.6     | n/a      | 0.1     | 0.0%    |
| Capex (R\$ million)                                 | 52.1    | 45.2     | 15.3%    | 143.3   | -63.6%  |
| Net Cash generated from operating activities**      | 138.0   | 56.8     | n/a      | 583.9   | -76.4%  |

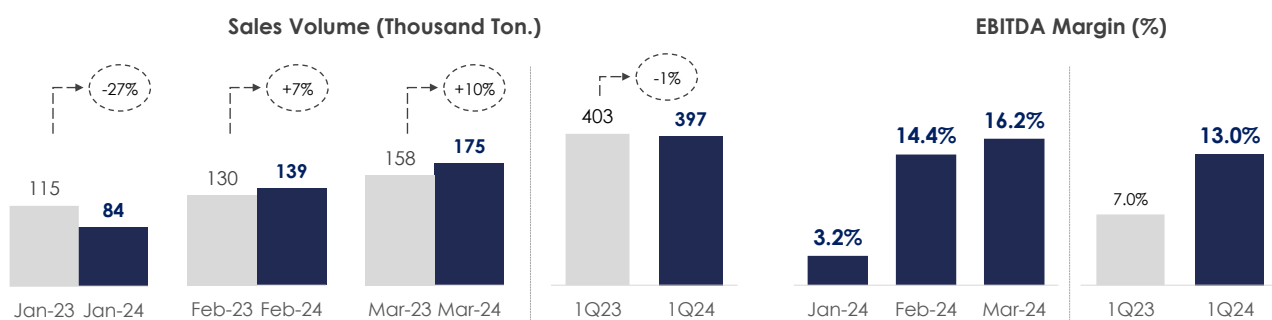
\* The values presented in 1Q24 and 1Q23 are from the period of Jan/Feb 2024 and 2023.

\*\*Net Cash generated from operating activities.

## Simplify Project | Change from EBS to SAP S4 Hana

The Simplifique Project aims to provide increased agility, convenience, and improvement of our processes. The project's main milestone was the replacement of the enterprise management system from EBS to SAP S4 Hana, which Go Live<sup>1</sup> took place successfully in early January 2024.

For the Go Live, as usual in management system changes, we carried out a scheduled interruption of our manufacturing, commercial, and distribution activities in the first days of January. From February onward, these activities gradually returned to normal levels, replenishing stocks and progressively increasing sales volumes and margins, as shown below. Supplying clients at the end of 2023 ensured the availability of products to end consumers and consequently the increase of our market share in 1Q24 compared to 4Q23 in the Cookies & Crackers, Pasta, and Wheat Flour categories.



This operational interruption period is expected to have reduced our volume in 1Q24 by approximately 31 thousand tons, equivalent to R\$ 60 million in contribution margin for the period.

| SAP System Implementation Impact           |        |        |        |           |
|--------------------------------------------|--------|--------|--------|-----------|
|                                            | jan/21 | jan/22 | jan/23 | jan/24    |
| Sales volume (thousand tonnes)             | 114    | 102    | 115    | 84        |
| Volumes variation Jan/24 vs. Jan/23        |        |        |        | 31        |
| Average price of jan/24 (R\$/kg)           |        |        |        | 5.2       |
| Net Revenue (R\$ MM)                       |        |        |        | 161       |
| Contribution margin                        |        |        |        | 37.3%     |
| <b>Contribution margin Impact (R\$ MM)</b> |        |        |        | <b>60</b> |

## Net Revenue

Firstly, as shown on the side, we observe a context of increasing demand in terms of volume and value compared to the same period of the previous year in Cookies & Crackers and Pasta categories.



Source: Nielsen - Retail Index. Total Brazil. INA+C&C.

About our sales, we closed 1Q24 with net revenue of R\$ 2.1 billion, 13.9% lower than in 1Q23, due to reductions in average price, mainly in categories that follow commodity prices such as Wheat Flour and Bran, and Margarine and Vegetable Shortening, as well as the scheduled interruption of our operations in early January.

<sup>1</sup>Go Live means "Going Live". It is the moment when we stop using the previous system and start using the new system (SAP, in this case).

Regarding the average price, besides the increase in the share of Wheat Flour and Bran in the quarter, less affected by the interruption in operations given the significant portion of B2B<sup>2</sup> sales in this category, we observed that the reduction in commodity prices contributed to the decrease in prices of items with lower added value, such as common pasta.

Additionally, within each category, we observed a greater performance of subcategories with lower average prices, such as cream cracker cookies, maria maizena and common pasta. In the cookies & crackers category, the MIX effect represented around 90% of the reduction in the average price between 1Q24 and 4Q23.

| Categories                         | 1Q24           |              |             | 1Q23           |              |             | Var. %        |              |               |
|------------------------------------|----------------|--------------|-------------|----------------|--------------|-------------|---------------|--------------|---------------|
|                                    | Net Revenue    | Volume       | Price       | Net Revenue    | Volume       | Price       | Net Revenue   | Volume       | Price         |
| Cookies and Crackers               | 1,089.3        | 105.8        | 10.3        | 1,254.1        | 116.8        | 10.74       | -13.1%        | -9.4%        | -4.1%         |
| Pasta                              | 481.2          | 81.2         | 5.93        | 503.7          | 79.3         | 6.35        | -4.5%         | 2.4%         | -6.6%         |
| Wheat Flour and Bran               | 352.5          | 187.7        | 1.88        | 476.1          | 183.2        | 2.6         | -26.0%        | 2.5%         | -27.7%        |
| Margarine and Vegetable Shortening | 118.2          | 16.6         | 7.12        | 145.9          | 17.3         | 8.43        | -19.0%        | -4.0%        | -15.5%        |
| Other products**                   | 99.2           | 5.8          | 17.1        | 105.7          | 6.2          | 17.05       | -6.1%         | -6.5%        | 0.3%          |
| <b>TOTAL</b>                       | <b>2,140.4</b> | <b>397.1</b> | <b>5.39</b> | <b>2,485.5</b> | <b>402.8</b> | <b>6.17</b> | <b>-13.9%</b> | <b>-1.4%</b> | <b>-12.6%</b> |

\*Net revenue in R\$ million, weight excluding sales returns in thousand tonnes and net average price in R\$/Kg.

\*\*Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

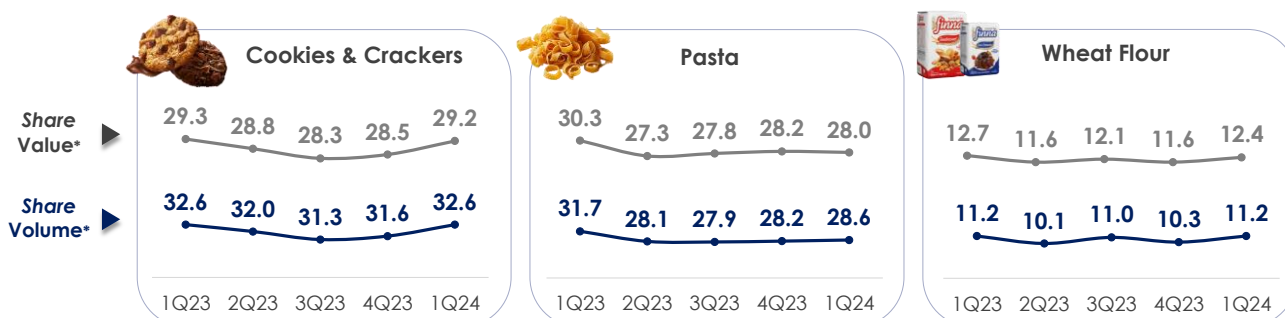
| Categories                         | 1Q24           |              |             | 4Q23           |              |             | Var. %        |               |              |
|------------------------------------|----------------|--------------|-------------|----------------|--------------|-------------|---------------|---------------|--------------|
|                                    | Net Revenue    | Volume       | Price       | Net Revenue    | Volume       | Price       | Net Revenue   | Volume        | Price        |
| Cookies and Crackers               | 1,089.3        | 105.8        | 10.3        | 1,413.0        | 134.8        | 10.48       | -22.9%        | -21.5%        | -1.7%        |
| Pasta                              | 481.2          | 81.2         | 5.93        | 606.2          | 97.6         | 6.21        | -20.6%        | -16.8%        | -4.5%        |
| Wheat Flour and Bran               | 352.5          | 187.7        | 1.88        | 481.1          | 219.3        | 2.19        | -26.7%        | -14.4%        | -14.2%       |
| Margarine and Vegetable Shortening | 118.2          | 16.6         | 7.12        | 154.8          | 20.7         | 7.48        | -23.6%        | -19.8%        | -4.8%        |
| Other products**                   | 99.2           | 5.8          | 17.1        | 115.4          | 7.1          | 16.25       | -14.0%        | -18.3%        | 5.2%         |
| <b>TOTAL</b>                       | <b>2,140.4</b> | <b>397.1</b> | <b>5.39</b> | <b>2,770.5</b> | <b>479.5</b> | <b>5.78</b> | <b>-22.7%</b> | <b>-17.2%</b> | <b>-6.7%</b> |

\*Net revenue in R\$ million, weight excluding sales returns in thousand tonnes and net average price in R\$/Kg.

\*\*Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

## Market share

In 1Q24, we increased our market share in the three main categories compared to 4Q23. In cookies & crackers, we increased in value and volumes, featuring the Defense region in the cream cracker, maria/maizena, and wafer subcategories. In pasta, the market share growth volume was mainly due to the increase in the pasta subcategory in the Defense region. In flours, we highlight the increase in the domestic flour subcategory.



\* Source: Nielsen – Retail Index, Total Brazil, INA+C&C.

<sup>2</sup> B2B: Business-to-Business model.



### Cookies & Crackers | Pasta

Cookies revenue fell both YoY and QoQ, due to the decrease in volumes and average price.

Cookies & Crackers launches contributed with R\$ 62.9 million in gross revenue in 1Q24 (+14.7% vs. 1Q23).

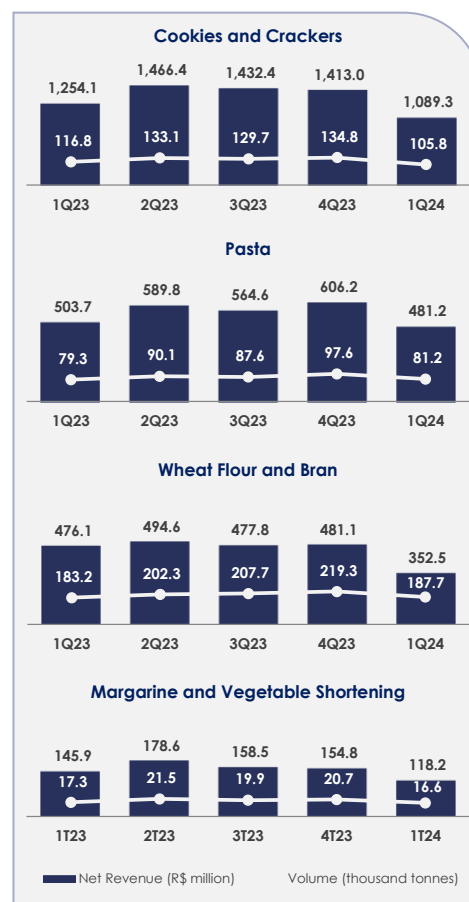
In pasta, the YoY revenue reduction was due to the decrease in average prices, mainly common pasta.



### Wheat Flour and Bran | Margarine and Vegetable Shortening

In wheat flour and bran, net revenue fell YoY, due to the decrease in average prices, which followed the wheat price trend. In terms of volumes, we feature the domestic and industrial flour expansion in the Attack region.

In margarine and shortening, the decrease in net revenue was also mainly due to lower average prices, which follow the palm oil price trend.



## Sales by Region and Channel

In 1Q24, revenue decrease in both the Attack and Defense regions was mainly due to lower volumes.

| Region       | 1Q24           | 1Q23           | Var.          | 4Q23           | Var.          |
|--------------|----------------|----------------|---------------|----------------|---------------|
| Attack       | 712.8          | 850.0          | -16.1%        | 953.1          | -25.2%        |
| Defense      | 1,382.7        | 1,588.2        | -12.9%        | 1,773.1        | -22.0%        |
| Foreign      | 44.9           | 47.2           | -4.9%         | 44.3           | 1.4%          |
| <b>TOTAL</b> | <b>2,140.4</b> | <b>2,485.4</b> | <b>-13.9%</b> | <b>2,770.5</b> | <b>-22.7%</b> |

Attack Region: South, Southeast and Midwest; and Defense Region: North and Northeast

Regarding sales channels, we feature the increased representation of Cash & Carry in 1Q24, given that the operations in this channel returned to normal levels after the implementation of the SAP system.

| Client Mix                     | 1Q24          | 1Q23          | Var. p.p. | 4Q23          | Var. p.p. |
|--------------------------------|---------------|---------------|-----------|---------------|-----------|
| Key Accounts / Regional Chains | 19.5%         | 22.3%         | -2.8 p.p  | 22.0%         | -2.5 p.p  |
| Cash and Carry                 | 30.4%         | 21.6%         | 8.8 p.p   | 25.8%         | 4.6 p.p   |
| Wholesale                      | 15.1%         | 18.6%         | -3.5 p.p  | 16.2%         | -1.1 p.p  |
| Small Retail                   | 17.5%         | 19.1%         | -1.6 p.p  | 17.7%         | -0.2 p.p  |
| Distributors                   | 11.8%         | 11.8%         | 0 p.p     | 12.2%         | -0.4 p.p  |
| Industry                       | 2.3%          | 3.2%          | -0.9 p.p  | 3.1%          | -0.8 p.p  |
| Other                          | 3.4%          | 3.4%          | 0 p.p     | 3.0%          | 0.4 p.p   |
| <b>TOTAL</b>                   | <b>100.0%</b> | <b>100.0%</b> |           | <b>100.0%</b> |           |

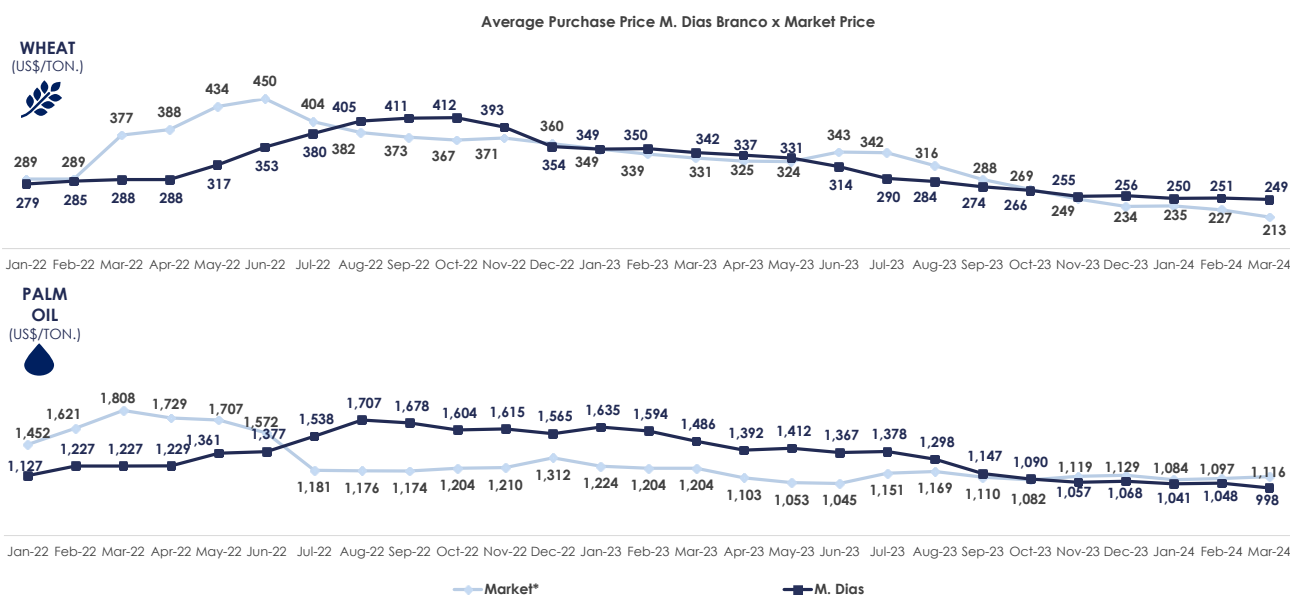
Note: Client mix, considering gross revenue excluding discounts and returns.

| Major Clients  |             | Sales 1Q24 (R\$ million)* | Gross revenue (%) |             |
|----------------|-------------|---------------------------|-------------------|-------------|
| Sequence       | Accumulated |                           | Individual        | Accumulated |
| Major Client   | 1           | 261.1                     | 10.4%             | 10.4%       |
| 49 Subsequent  | 50          | 886.1                     | 35.2%             | 45.6%       |
| 50 Subsequent  | 100         | 217.9                     | 8.6%              | 54.2%       |
| 900 Subsequent | 1,000       | 724.8                     | 28.8%             | 83.0%       |
| Other Clients  | All clients | 430.9                     | 17.0%             | 100.0%      |
| <b>TOTAL</b>   |             | <b>2,520.8</b>            |                   |             |

### Costs

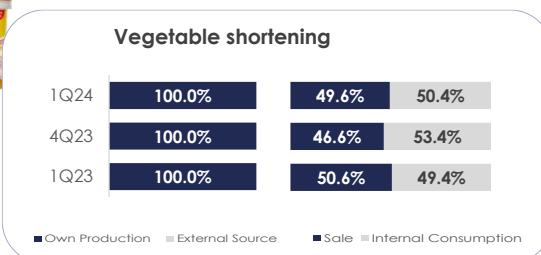
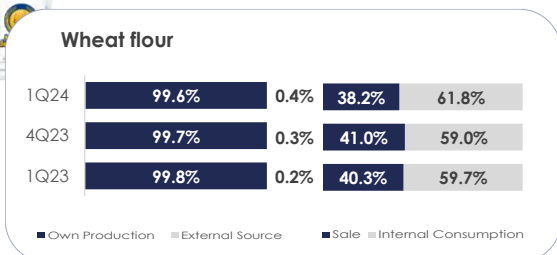
| lion)                                | 1Q24           | % Net Rev.   | 1Q23           | % Net Rev.   | Var. %        | 4Q23           | % Net Rev.   | Var. %        |
|--------------------------------------|----------------|--------------|----------------|--------------|---------------|----------------|--------------|---------------|
| <b>Raw material</b>                  | <b>893.4</b>   | <b>41.7%</b> | <b>1,354.5</b> | <b>54.5%</b> | <b>-34.0%</b> | <b>1,242.5</b> | <b>44.8%</b> | <b>-28.1%</b> |
| Wheat                                | 560.3          | 26.2%        | 8,866.0        | 34.8%        | -35.3%        | 750.9          | 27.1%        | -25.4%        |
| Vegetable Oil                        | 148.4          | 6.9%         | 275.7          | 11.1%        | -46.2%        | 236.1          | 8.5%         | -37.1%        |
| Sugar                                | 70.2           | 3.3%         | 66.0           | 2.7%         | 6.4%          | 82.4           | 3.0%         | -14.8%        |
| Third Party Flour                    | 2.2            | 0.1%         | 2.3            | 0.1%         | -4.3%         | 2.9            | 0.1%         | -24.1%        |
| Third Party Vegetable Shortening     | 0.0            | 0.0%         | 0.0            | 0.0%         | n/a           | 0.1            | 0.0%         | -100.0%       |
| Other                                | 112.3          | 5.2%         | 144.5          | 5.8%         | -22.3%        | 170.1          | 6.1%         | -34.0%        |
| <b>Packages</b>                      | <b>132.2</b>   | <b>6.2%</b>  | <b>148.2</b>   | <b>6.0%</b>  | <b>-10.8%</b> | <b>174.5</b>   | <b>6.3%</b>  | <b>-24.2%</b> |
| <b>Labor</b>                         | <b>203.5</b>   | <b>9.5%</b>  | <b>206.8</b>   | <b>8.3%</b>  | <b>-1.6%</b>  | <b>229.1</b>   | <b>8.3%</b>  | <b>-11.2%</b> |
| <b>Indirect costs</b>                | <b>177.6</b>   | <b>8.3%</b>  | <b>163.7</b>   | <b>6.6%</b>  | <b>8.5%</b>   | <b>168.3</b>   | <b>6.1%</b>  | <b>5.5%</b>   |
| <b>Depreciation and amortization</b> | <b>47.8</b>    | <b>2.2%</b>  | <b>50.8</b>    | <b>2.0%</b>  | <b>-5.9%</b>  | <b>56.5</b>    | <b>2.0%</b>  | <b>-15.4%</b> |
| <b>Other</b>                         | <b>-0.4</b>    | <b>0.0%</b>  | <b>18.5</b>    | <b>0.7%</b>  | <b>n/a</b>    | <b>4.8</b>     | <b>0.2%</b>  | <b>n/a</b>    |
| <b>Total</b>                         | <b>1,454.1</b> | <b>67.9%</b> | <b>1,942.5</b> | <b>78.2%</b> | <b>-25.1%</b> | <b>1,875.7</b> | <b>67.7%</b> | <b>-22.5%</b> |

Wheat and palm oil prices fell, contributing to the gradual recovery of gross margin.



### Vertical Integration

We maintained a high level of verticalization. Flour verticalization was 99.6% while shortening verticalization came to 100.0% in 1Q24.





## Production capacity utilization rate

In 1Q24, we had a capacity utilization level of 60.5% (55.5% in 1Q23), higher than the previous year in all categories, due to the increase in volumes produced in 8.5%.

| Effective Production / Production Capacity* | Cookies and Crackers |              | Pasta        |              | Wheat Flour and Bran |              | Margarine and Vegetable Shortening |              | Other products** |              | Total        |              |
|---------------------------------------------|----------------------|--------------|--------------|--------------|----------------------|--------------|------------------------------------|--------------|------------------|--------------|--------------|--------------|
|                                             | 1Q24                 | 1Q23         | 1Q24         | 1Q23         | 1Q24                 | 1Q23         | 1Q24                               | 1Q23         | 1Q24             | 1Q23         | 1Q24         | 1Q23         |
| Total Production                            | 121.5                | 112.2        | 95.3         | 85.2         | 383.3                | 354.8        | 40.6                               | 38.4         | 6.0              | 5.6          | 646.7        | 596.2        |
| Total Production Capacity                   | 215.1                | 221.6        | 131.4        | 132.2        | 618.9                | 617.7        | 90.0                               | 90.0         | 14.2             | 13.6         | 1,069.6      | 1,075.1      |
| <b>Capacity Utilization</b>                 | <b>56.5%</b>         | <b>50.6%</b> | <b>72.5%</b> | <b>64.4%</b> | <b>61.9%</b>         | <b>57.4%</b> | <b>45.1%</b>                       | <b>42.7%</b> | <b>42.3%</b>     | <b>41.2%</b> | <b>60.5%</b> | <b>55.5%</b> |

|                             | 1Q24         | 4Q23         | 1Q24         | 4Q23         | 1Q24         | 4Q23         | 1Q24         | 4Q23         | 1Q24         | 4Q23         | 1Q24         | 4Q23         |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Production            | 121.5        | 130.8        | 95.3         | 90.4         | 383.3        | 395.4        | 40.6         | 41.5         | 6.0          | 5.2          | 646.7        | 663.3        |
| Total Production Capacity   | 215.1        | 221.4        | 131.4        | 133.5        | 618.9        | 631.4        | 90.0         | 90.0         | 14.2         | 14.0         | 1,069.6      | 1,090.3      |
| <b>Capacity Utilization</b> | <b>56.5%</b> | <b>59.1%</b> | <b>72.5%</b> | <b>67.7%</b> | <b>61.9%</b> | <b>62.6%</b> | <b>45.1%</b> | <b>46.1%</b> | <b>42.3%</b> | <b>37.1%</b> | <b>60.5%</b> | <b>60.8%</b> |

\*Thousand tonnes.

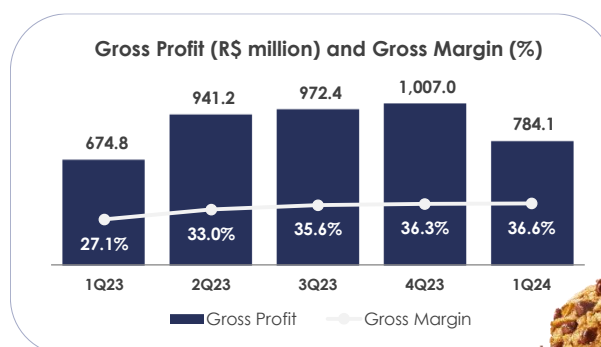
\*\*Cakes, snacks, cake mix, packaged toast, healthy products, sauces and seasonings.

Note: Total production capacity refers to the maximum yield that can be extracted from the equipment considering the losses caused by maintenance stoppages, setup time, line clean-up, restrictions on the maximum number of shifts in the plants, etc.

## Gross Profit and Gross Margin

In 1Q24, gross profit grew by 16.2% YoY in nominal values, and reported QoQ gross margin growth, closing 1Q24 at 36.6% (+9.5 p.p. vs. 1Q23).

Gross profit includes subsidies for state investments, of R\$ 97.8 million in 1Q24 (R\$131.8 million in 1Q23), which are recorded in the income statement according to accounting pronouncement CPC 07 – Government Subsidies.



## Operating Expenses

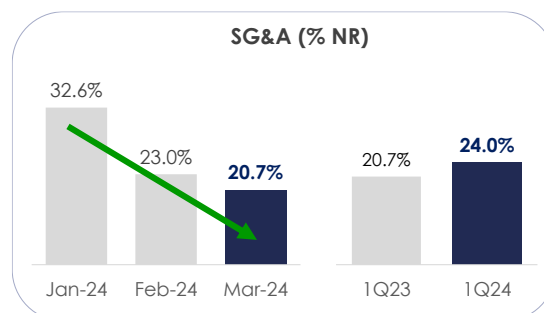
We report sales and administrative expenses (SG&A) and, separately, the other operating expenses (donations, taxes, depreciation and amortization and others):

| Operating Expenses (R\$ million)   | 1Q24         | % Net Rev.   | 1Q23         | % Net Rev.   | Var. %       | 4Q23         | % Net Rev.   | Var. %        |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Selling*                           | 427.3        | 20.0%        | 437.1        | 17.6%        | -2.2%        | 489.0        | 17.7%        | -12.6%        |
| Administrative                     | 85.0         | 4.0%         | 76.2         | 3.1%         | 11.5%        | 86.6         | 3.1%         | -1.8%         |
| <b>(SG&amp;A)</b>                  | <b>512.3</b> | <b>24.0%</b> | <b>513.3</b> | <b>20.7%</b> | <b>-0.2%</b> | <b>575.6</b> | <b>20.8%</b> | <b>-11.0%</b> |
| Donations                          | 4.2          | 0.2%         | 10.7         | 0.4%         | -60.7%       | 11.1         | 0.4%         | -62.2%        |
| Taxes                              | 8.3          | 0.4%         | 8.0          | 0.3%         | 3.8%         | 12.3         | 0.4%         | -32.5%        |
| Depreciation and amortization      | 38.1         | 1.8%         | 36.8         | 1.5%         | 3.5%         | 40.3         | 1.5%         | -5.5%         |
| Other operating expenses/(revenue) | 28.3         | 1.3%         | 19.1         | 0.8%         | 48.2%        | 21.5         | 0.8%         | 31.6%         |
| <b>TOTAL</b>                       | <b>591.2</b> | <b>27.7%</b> | <b>587.9</b> | <b>23.7%</b> | <b>0.6%</b>  | <b>660.8</b> | <b>23.9%</b> | <b>-10.5%</b> |

\*Salaries and benefits, freight and other expenses with marketing, sales force and logistics.

In nominal terms, expenses were in line with the figure reported in 1Q23.

The higher representation regarding net revenue was due to operational deleveraging in January, during the implementation of the SAP system, and the decrease in average prices. As shown on the side, SG&A gradually returned to the level of 20-21% of net revenue as volumes and operations returned to normal.



## Financial Result

| Financial Result (R\$ million) | 1Q24        | 1Q23         | Var. %        | 4Q23        | Var. %         |
|--------------------------------|-------------|--------------|---------------|-------------|----------------|
| Financial Revenue              | 80.2        | 84.2         | -4.8%         | 134.3       | -40.3%         |
| Financial Expenses             | -80.9       | -142.3       | -43.1%        | -119.5      | -32.3%         |
| <b>TOTAL</b>                   | <b>-0.7</b> | <b>-58.1</b> | <b>-98.8%</b> | <b>14.8</b> | <b>-104.7%</b> |

In 1Q24, we registered negative result of R\$ 0.7 million (R\$ 58.1 million in 1Q23). Compared to 1Q23, the improvement in the financial result is mainly due to the decrease in gross debt, which went from R\$ 2.4 billion in 1Q23 to R\$ 2.1 billion in 1Q24 and the drop in the cost of debt with the retraction of the CDI and IPCA.

## Taxes on Income

| Income and Social Contribution Taxes (R\$ million) | 1Q24        | 1Q23         | Var. %         |
|----------------------------------------------------|-------------|--------------|----------------|
| Income and Social Contribution Taxes               | 35.8        | -41.9        | -185.4%        |
| <b>TOTAL</b>                                       | <b>35.8</b> | <b>-41.9</b> | <b>-185.4%</b> |

We closed 1Q24 with R\$35.8 million provision for income tax and social contribution vs. income tax and social contribution reversal of R\$41.9 million in 1Q23, mainly due to the generation of taxable income, given the increase in income before income tax and social contribution.

## Goodwill

As of 2020, due to the merger of Piraquê, approved on December 27, 2019, the Company began the tax amortization of goodwill arising from the acquisition, currently totaling R\$230.5 million, which will be amortized over a minimum period of five years. This amount considers the effectively paid portion of the acquisition price (acquisition price of R\$1.5 billion, less the retained portion of the acquisition price of R\$123.2 million). However, we expect to fully use the transaction goodwill, in the amount of R\$361.6 million.

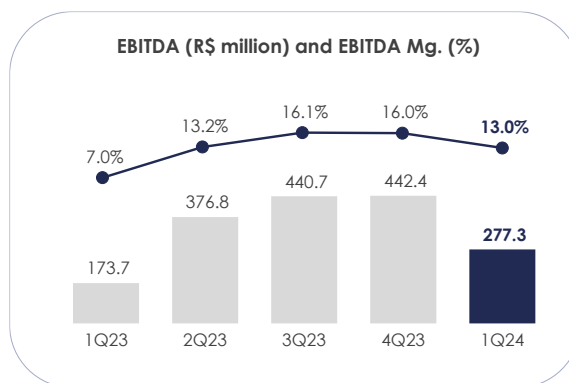
Latinex was incorporated by Jasmine on August 1, 2023. As of September, Jasmine initiated the tax amortization of the goodwill arising from the acquisition, in the amount of R\$156.1 million. Amortization will occur over a minimum period of ten years.

In 1Q24, the Company recorded R\$6.0 million in tax benefit from amortization.

## EBITDA and Net Income

In 1Q24, EBITDA reached R\$ 277,3 million, all-time high for a first quarter, up by 59.6% over 1Q23, and EBITDA margin of 13.0% (7.0% in 1Q23).

Net income grew 121.6% in 1Q24 vs. 1Q23, resulting from the expansion in EBITDA and the improvement in the financial result.



## EBITDA – NET INCOME

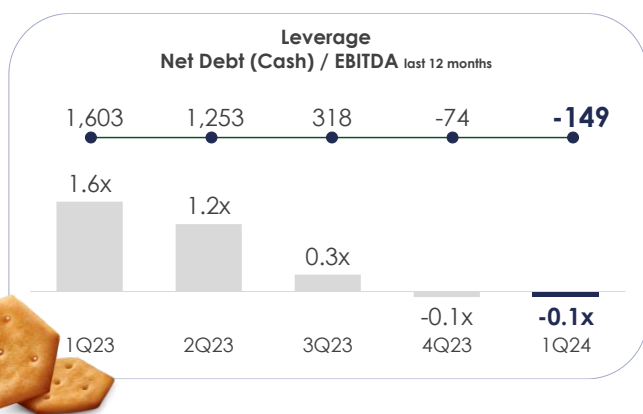
| EBITDA CONCILIATION (R\$ million)              | 1Q24         | 1Q23         | Var. %        | 4Q23         | Var. %        |
|------------------------------------------------|--------------|--------------|---------------|--------------|---------------|
| <b>Net Profit</b>                              | <b>154.9</b> | <b>69.9</b>  | <b>121.6%</b> | <b>341.9</b> | <b>-54.7%</b> |
| Income Tax and Social Contribution             | 35.8         | -41.9        | n/a           | 18.5         | 93.5%         |
| Financial Revenue                              | -80.2        | -84.2        | -4.8%         | -134.3       | -40.3%        |
| Financial Expenses                             | 80.9         | 142.3        | -43.1%        | 119.5        | -32.3%        |
| Depreciation and Amortization of cost of goods | 47.8         | 50.8         | -5.9%         | 56.5         | -15.4%        |
| Depreciation and Amortization of expenses      | 38.1         | 36.8         | 3.5%          | 40.3         | -5.5%         |
| <b>EBITDA</b>                                  | <b>277.3</b> | <b>173.7</b> | <b>59.6%</b>  | <b>442.4</b> | <b>-37.3%</b> |
| <b>EBITDA Margin</b>                           | <b>13.0%</b> | <b>7.0%</b>  | <b>6 p.p</b>  | <b>16.0%</b> | <b>-3 p.p</b> |

## EBITDA – NET REVENUE

| EBITDA CONCILIATION (R\$ million)              | 1Q24           | 1Q23           | Var. %        | 4Q23           | Var. %        |
|------------------------------------------------|----------------|----------------|---------------|----------------|---------------|
| <b>Net Revenue</b>                             | <b>2,140.4</b> | <b>2,485.5</b> | <b>-13.9%</b> | <b>2,770.5</b> | <b>-22.7%</b> |
| Cost of goods sold                             | -1,454.1       | -1,942.5       | -25.1%        | -1,875.7       | -22.5%        |
| Depreciation and Amortization of cost of goods | 47.8           | 50.8           | -5.9%         | 56.5           | -15.4%        |
| Tax Incentive (ICMS)                           | 97.8           | 131.8          | -25.8%        | 112.2          | -12.8%        |
| Operating Expenses                             | -591.2         | -587.9         | 0.6%          | -660.8         | -10.5%        |
| Equity in net income of subsidiaries           | -1.5           | -0.8           | 87.5%         | -0.6           | n/a           |
| Depreciation and Amortization of expenses      | 38.1           | 36.8           | 3.5%          | 40.3           | -5.5%         |
| <b>EBITDA</b>                                  | <b>277.3</b>   | <b>173.7</b>   | <b>59.6%</b>  | <b>442.4</b>   | <b>-37.3%</b> |
| <b>EBITDA Margin</b>                           | <b>13.0%</b>   | <b>7.0%</b>    | <b>6 p.p</b>  | <b>16.0%</b>   | <b>-3 p.p</b> |

## Debt, Capitalization and Cash

For the second consecutive quarter, we reported a net cash position of 0.1x (net debt of 1.6x in 1Q23 and net cash of 0.1x in 1Q23) due to sequential improvement in the results and a strong cash generation. We closed 1Q24 with R\$ 2.17 billion in cash and cash equivalents.



| Capitalization (R\$ million)                 | 3/31/2024       | 3/31/2023       | Var. %        |
|----------------------------------------------|-----------------|-----------------|---------------|
| Cash                                         | 2,174.4         | 773.9           | 181.0%        |
| Linked deposits                              | 2.8             | 30.8            | -90.9%        |
| Financial Investments Short Term             | 15.5            | 16.9            | -8.3%         |
| Financial Investments Long Term              | 1.1             | 1.6             | -31.3%        |
| <b>Total Indebtedness</b>                    | <b>-2,064.2</b> | <b>-2,364.3</b> | <b>-12.7%</b> |
| (-) Short Term                               | -377.2          | -806.0          | -53.2%        |
| (-) Long Term                                | -1,687.0        | -1,558.3        | 8.3%          |
| <b>(-) Derivatives Financial Instruments</b> | <b>19.4</b>     | <b>-61.6</b>    | <b>n/a</b>    |
| <b>(=) Net Cash (Net Debt)</b>               | <b>149.0</b>    | <b>-1,602.7</b> | <b>n/a</b>    |
| Shareholder's Equity                         | 7,752.1         | 6,785.6         | 14.2%         |
| <b>Capitalization</b>                        | <b>9,816.3</b>  | <b>9,149.9</b>  | <b>7.3%</b>   |

We closed 1Q24 with 81.7% of the debt in the long-term, and we maintained the Rating AAA Stable Outlook, reaffirmed by Fitch for the 6<sup>th</sup> consecutive year.

| Consolidated Debt (R\$ million)                         | Index     | Interest (year)             | 03/31/24       | % Debt        | 03/31/23       | % Debt        | Var. %        |
|---------------------------------------------------------|-----------|-----------------------------|----------------|---------------|----------------|---------------|---------------|
| <b>Domestic Currency</b>                                |           |                             | <b>1,251.3</b> | <b>60.6%</b>  | <b>1,471.1</b> | <b>62.2%</b>  | <b>-14.9%</b> |
| BNDES - FINAME                                          | TJLP      | 2.17%                       | 1.1            | 0.1%          | 5.2            | 0.2%          | -78.8%        |
| BNDES - PSI                                             | R\$       | 3.50% (3.36% on 03/31/23)   | 0.0            | 0.0%          | 8.4            | 0.4%          | -100.0%       |
| BNDES - FINEM                                           | IPCA      | 8.57%                       | 11.3           | 0.5%          | 21.7           | 0.9%          | -47.9%        |
| FINEP                                                   | TR        | 3.30%                       | 25.8           | 1.2%          | 0.0            | 0.0%          | n/a           |
| (PROVIN) Financing of state taxes                       | 100% TJLP | -                           | 38.0           | 1.8%          | 22.7           | 1.0%          | 67.4%         |
| (FUNDOPEM) Financing of state taxes                     | IPCA/IBGE | -                           | 14.9           | 0.7%          | 7.7            | 0.3%          | 93.5%         |
| Working Capital                                         | 100% CDI  | 0.76%                       | 0.0            | 0.0%          | 108.2          | 4.6%          | -100.0%       |
| Working Capital                                         | IPCA      | 6.93%                       | 0.0            | 0.0%          | 125.5          | 5.3%          | -100.0%       |
| Investment of assignment of Pilar's shares              | 100% CDI  | -                           | 10.4           | 0.5%          | 4.7            | 0.2%          | n/a           |
| Investment of assignment of Estrela's shares            | 100% CDI  | -                           | 7.6            | 0.4%          | 12.0           | 0.5%          | -36.7%        |
| Investment of assignment of Moinho Santa Lúcia's shares | 100% CDI  | -                           | 0.0            | 0.0%          | 0.7            | 0.0%          | -100.0%       |
| Investment of assignment of Piraquê's shares            | 100% CDI  | -                           | 115.4          | 5.6%          | 173.3          | 7.3%          | -33.4%        |
| Investment of assignment of Latinex's shares            | 100% CDI  | -                           | 90.3           | 4.4%          | 91.6           | 3.9%          | -1.4%         |
| Investment of assignment of Jasmine's shares            | 100% CDI  | -                           | 0.0            | 0.0%          | 1.0            | 0.0%          | -100.0%       |
| Investment of assignment of Las Acacias' shares         | 100% CDI  | -                           | 21.5           | 1.0%          | 25.9           | 1.1%          | -17.0%        |
| Debentures                                              | IPCA      | 3.7992% and 4.1369%         | 915.0          | 44.3%         | 862.5          | 36.5%         | 6.1%          |
| <b>Foreign Currency</b>                                 |           |                             | <b>812.9</b>   | <b>39.4%</b>  | <b>893.2</b>   | <b>37.8%</b>  | <b>-9.0%</b>  |
| Working Capital (Law 4,131) and export                  | USD       | 3.22% (2.85% on 03/31/23)   | 809.1          | 39.2%         | 871.5          | 36.9%         | -7.2%         |
| Working Capital                                         | UYU       | 10.10% (12.07% on 03/31/23) | 3.8            | 0.2%          | 21.7           | 0.9%          | -82.5%        |
| <b>TOTAL</b>                                            |           |                             | <b>2,064.2</b> | <b>100.0%</b> | <b>2,364.3</b> | <b>100.0%</b> | <b>-12.7%</b> |

On March 31, 2024, the Company had four swap contracts to hedge working capital financing in foreign currency maturing until December 22, 2025, in which the long leg receives, on average, the dollar plus 3.39% p.a. interest rate, and the short leg pays, on average, CDI plus 0.93% p.a. rate with a notional reference value of R\$ 805.9 million and fair value payable of R\$ 72.0 million.

To hedge the debenture issues and capital indexed to the IPCA, the Company had 42 swap contracts, all of which maturing until March 17, 2031, in which the long leg receives, on average, the IPCA plus 4.02% p.a., and the short leg pays, on average, the CDI plus 0.28% p.a. The notional reference values totaled R\$811.6 million for current contracts, and the gross fair value receivable of all these derivative instruments totaled R\$98.3 million on March 31, 2024.

At the end of 1Q24, debentures totaled R\$ 915.0 million net of the unamortized balance of transaction costs of R\$ 29.9 million.

## Investments

| Investments (R\$ million) | 1Q24        | 1Q23        | Var. %       |
|---------------------------|-------------|-------------|--------------|
| Buildings                 | 2.8         | 7.3         | -61.6%       |
| Machinery and equipment   | 15.9        | 19.9        | -20.1%       |
| Construction in progress  | 5.5         | 4.3         | 27.9%        |
| IT Equipment              | 1.5         | 0.7         | n/a          |
| Furniture and Fixtures    | 1.1         | 1.1         | 0.0%         |
| Software Use License      | 25.3        | 11.3        | n/a          |
| Others                    | -           | 0.6         | -100.0%      |
| <b>Total</b>              | <b>52.1</b> | <b>45.2</b> | <b>15.3%</b> |

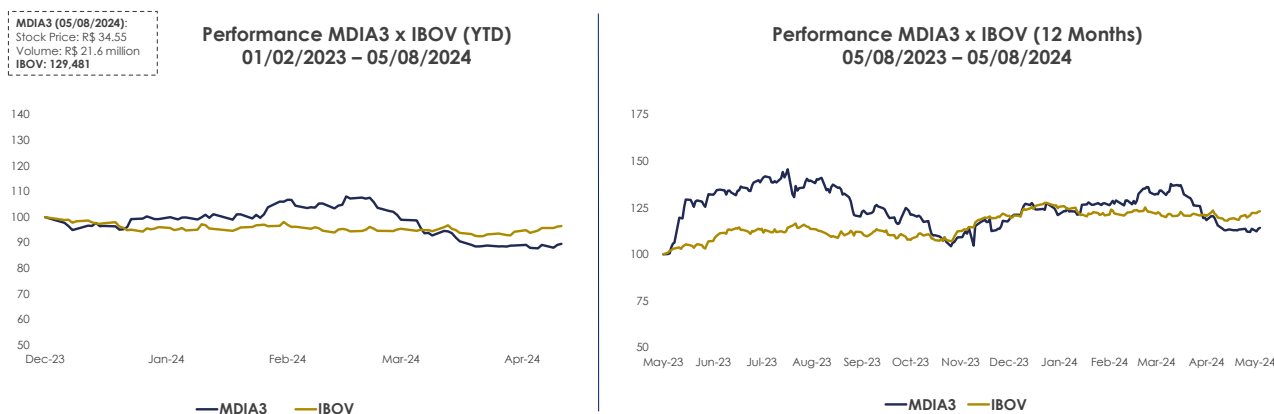
Investments 1Q24 - R\$ 52.1 million



Investments totaled R\$ 52.1 million in 1Q24 (+15.3% vs. 1Q23). We highlight investments in software with the implementation of the SAP system (Simplify project) in Jan/24.

## CAPITAL MARKET

The Company's shares are traded on B3 (Brasil, Bolsa e Balcão) under the ticker MDIA3 and are listed in the Novo Mercado segment. On **March 28, 2024**, there were 66,385,773 outstanding shares, representing 19.6% of the Company's capital stock, priced at **R\$ 38.18** each. In 1Q24, the average trading volume was **3,039** (7,526 in 1Q23), and the average daily trading financial volume was **R\$ 28.2 million** (R\$52.8 million in 1Q23).



**MDIA**  
B3 LISTED NM

**IBRA B3** **IBRX100 B3** **ICO2 B3** **ICON B3** **IGC-NM B3** **IDIVERSA B3**  
**IGCT B3** **INDX B3** **ISE B3** **ITAG B3** **SMLL B3** **IGC B3** **IGPTWB3**

**MSCI**  
ESG RATINGS **AA**  
CCC | B | BB | BBB | A | AA | AAA

## MAIN ADMINISTRATIVE FACTS

### Approval of the Financial Statements

At the meeting of the Board of Directors held on May 10, 2024, the following was approved: (i) the Interim Financial Information (ITR) for the period ended March 31, 2024; and (ii) other provisions.

### Shareholders' Meeting

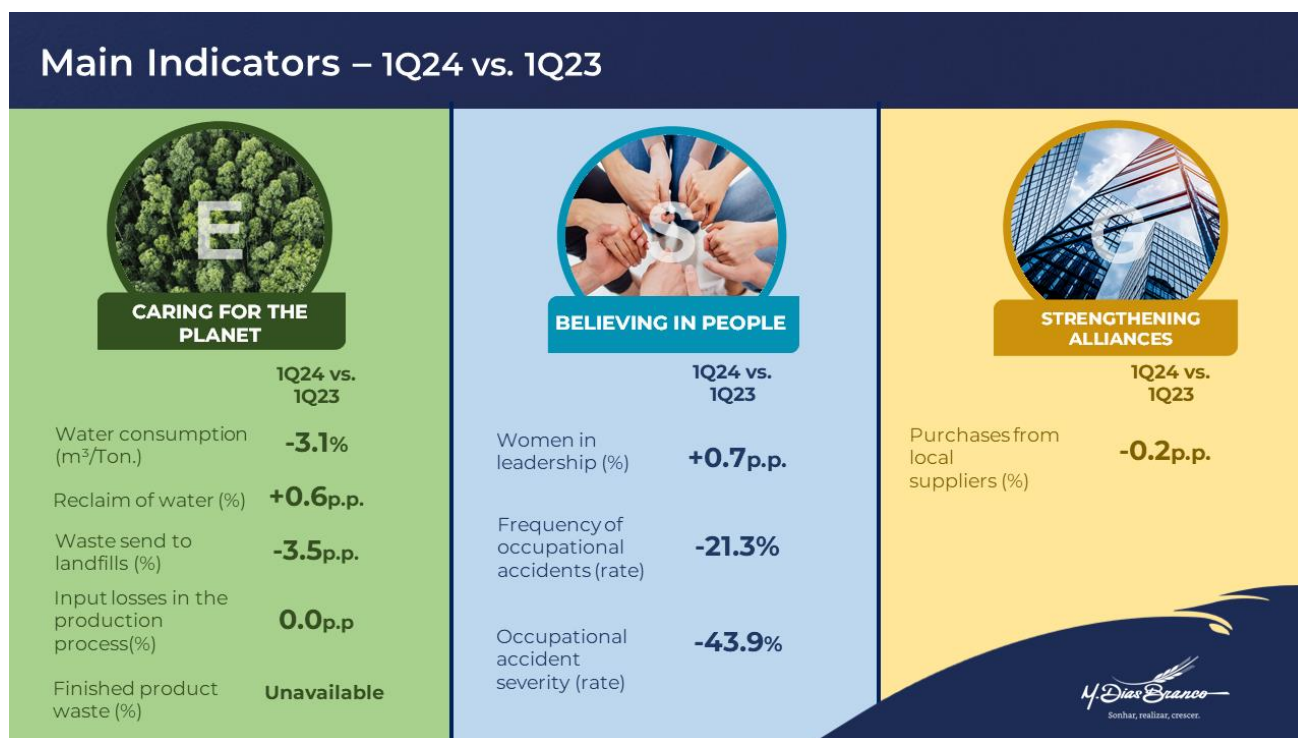
At the Annual and Extraordinary Shareholders' Meeting held on March 28, 2024, the following resolutions were approved by a majority vote: (i) the annual management report and the financial statements accompanied by the independent auditors' report for the fiscal year ended on December 31, 2023; (ii) the allocation of net income for 2023, as proposed by the Board of Directors at the meeting held on February 23, 2024; (iii) number and election of members of the Board of Directors; and (iv) the proposed annual overall compensation of the Company's management for fiscal year 2024.

### Share Buyback Program

At the meeting of the Board of Directors held on April 18, 2024, it was approved the Share Buyback Program, limited to 3,580,000 shares to be held in treasury and be subsequently cancelled or sold so as to maximize the creation of value for shareholders and comply with the Company's Long-Term Incentive Program.

## SOCIAL AND ENVIRONMENTAL PERFORMANCE

Caring for the Planet, Believing in People, and Strengthening Alliances: these are the objectives of the environmental, social, and governance pillars, respectively, of M. Dias Branco's Sustainability Agenda. The Company undertook 18 public commitments in 2022, to be achieved by 2030. The performance of public targets can be monitored on the Company's website <https://mdiasbranco.com.br/en/sustainability-agenda/>. Below are the **main indicators and highlights**<sup>3</sup> of 1Q24.



**Water consumption index:** evolution due to higher production volume, which led to improved performance in water consumption per ton.

**Reuse water:** increase due to improvements in reuse systems such as the restructuring of the irrigation system, including measurement and monitoring instruments.

**Waste sent to landfills:** progress driven by the achievement of the Zero Landfill goal in the Eusébio and Maracanaú units (CE) in 4Q23 and in the Bento Gonçalves unit (RS) in 1Q24.

**Input losses in the production process:** there were no significant changes in the index.

**Waste of finished products:** the indicator is not available because of the adaptation to the system change to SAP.

**Women in leadership positions:** the evolution reflects gender equality promotion, such as the development of the theme with the Recruitment and selection team, the launch of the inclusive booklet for management, and the thematic dialogues carried out with the entire Company.

**Frequency and severity of occupational accidents:** result due to continuous actions and investments in workplace safety that resulted in fewer accidents with leave, as well as less severity in 1Q24 compared to 1Q23.

**Local supplier purchases:** the indicator was impacted by the purchase of imported vegetable oils.

<sup>3</sup> It should be noted that the indicators do not include the subsidiaries Jasmine and Las Acacias.

Below are the main highlights of 1Q24:



**Adherence to the 100% Transparency Movement:** movement of the UN Global Compact, considered the largest initiative to promote corporate transparency in Brazil. This voluntary commitment's main objectives are to encourage, train and strengthen transparency and integrity mechanisms in organizations, working to combat corruption and promoting the achievement of the Sustainable Development Goals (SDGs).



**“Nós Por Elas” Campaign:** an initiative that generated various actions related to International Women's Day. During the campaign, we carried out a podcast on female leadership, a live broadcast on how our initiatives transform the lives of women in Brazil, and a campaign against menstrual poverty. We collected over a thousand packs of sanitary pads in 13 industrial units, which were delivered to partner institutions.



**“Alimentação Transforma”:** launch of the food consciousness promotion platform. The initiative is part of the Company's nutritional education and well-being program, specially developed for end consumers. The aim is to provide information in an accessible way, demystifying balanced nutrition.



**Integrated Annual Report:** gathers market, economic-financial, operational, and socio-environmental information for 2023, following GRI guidelines. ESG financial data follows international standards of transparency in disclosure.

## FINANCIAL STATEMENTS

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies adopted in Brazil (BR GAAP).

Pursuant to CPC 26 – Presentation of Financial Statements, we classify expenses by function in the Income Statement. Depreciation and amortization expenses were included in selling and administrative expenses, and tax expenses were added to other expenses (income), net. For further information, please see note 25 of the Company's Financial Statements.

### Income Statement

| INCOME STATEMENT<br>(R\$ million)                       | 1Q24            | 1Q23            | Variation     | 4Q23            | Variation     |
|---------------------------------------------------------|-----------------|-----------------|---------------|-----------------|---------------|
| <b>NET REVENUES</b>                                     | <b>2,140.4</b>  | <b>2,485.5</b>  | <b>-13.9%</b> | <b>2,770.5</b>  | <b>-22.7%</b> |
| <b>COST OF GOODS SOLD</b>                               | <b>-1,454.1</b> | <b>-1,942.5</b> | <b>-25.1%</b> | <b>-1,875.7</b> | <b>-22.5%</b> |
| <b>TAX INCENTIVES (ICMS)</b>                            | <b>97.8</b>     | <b>131.8</b>    | <b>-25.8%</b> | <b>112.2</b>    | <b>-12.8%</b> |
| <b>GROSS PROFIT</b>                                     | <b>784.1</b>    | <b>674.8</b>    | <b>16.2%</b>  | <b>1,007.0</b>  | <b>-22.1%</b> |
| <b>OPERATING REVENUES (EXPENSES)</b>                    | <b>-591.2</b>   | <b>-587.9</b>   | <b>0.6%</b>   | <b>-660.8</b>   | <b>-10.5%</b> |
| Sales expenses                                          | -450.2          | -459.0          | -1.9%         | -513.9          | -12.4%        |
| Administrative and general expenses                     | -103.7          | -100.6          | 3.0%          | -111.8          | -7.3%         |
| Other net income (expenses)                             | -37.3           | -28.3           | 31.7%         | -35.1           | 6.2%          |
| <b>OPERATING INCOME BEFORE FINANCIAL RESULTS</b>        | <b>192.9</b>    | <b>86.9</b>     | <b>122.0%</b> | <b>346.2</b>    | <b>-44.3%</b> |
| Financial income                                        | 80.2            | 84.2            | -4.8%         | 134.3           | -40.3%        |
| Financial expenses                                      | -80.9           | -142.3          | -43.1%        | -119.5          | -32.3%        |
| <b>OPERATING INCOME AFTER FINANCIAL RESULTS</b>         | <b>192.2</b>    | <b>28.8</b>     | <b>567.4%</b> | <b>361.0</b>    | <b>-46.8%</b> |
| Equity in net income of subsidiaries                    | -1.5            | -0.8            | 87.5%         | -0.6            | n/a           |
| <b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b> | <b>190.7</b>    | <b>28.0</b>     | <b>581.1%</b> | <b>360.4</b>    | <b>-47.1%</b> |
| Income tax and social contribution                      | -35.8           | 41.9            | n/a           | -18.5           | 93.5%         |
| <b>NET INCOME</b>                                       | <b>154.9</b>    | <b>69.9</b>     | <b>121.6%</b> | <b>341.9</b>    | <b>-54.7%</b> |



**Balance Sheet**

| BALANCE SHEET<br>(R\$ million)                       | M. DIAS (Consolidated) |                 |              |                 |              |
|------------------------------------------------------|------------------------|-----------------|--------------|-----------------|--------------|
|                                                      | 3/31/2024              | 3/31/2023       | Variation    | 12/31/2023      | Variation    |
| <b>ASSETS</b>                                        |                        |                 |              |                 |              |
| <b>CURRENT</b>                                       | <b>5,783.6</b>         | <b>4,611.6</b>  | <b>25.4%</b> | <b>5,700.1</b>  | <b>1.5%</b>  |
| Cash and cash equivalents                            | 2,174.4                | 773.9           | n/a          | 2,267.8         | -4.1%        |
| Linked deposits                                      | 2.8                    | 30.8            | -90.9%       | 2.8             | 0.0%         |
| Trade accounts receivable                            | 1,663.4                | 1,557.8         | 6.8%         | 1,839.7         | -9.6%        |
| Inventories                                          | 1,642.1                | 1,911.6         | -14.1%       | 1,338.4         | 22.7%        |
| Taxes recoverable                                    | 150.7                  | 186.8           | -19.3%       | 129.5           | 16.4%        |
| Income tax and social contribution                   | 28.4                   | 29.6            | -4.1%        | 27.4            | 3.6%         |
| Financial investments                                | 15.5                   | 16.9            | -8.3%        | 15.2            | 2.0%         |
| Derivatives financial instruments                    | 19.5                   | 21.5            | -9.3%        | 10.4            | 87.5%        |
| Prepaid expenses                                     | 26.2                   | 24.2            | 8.3%         | 22.1            | 18.6%        |
| Other current assets                                 | 60.6                   | 58.5            | 3.6%         | 46.8            | 29.5%        |
| <b>NON CURRENT</b>                                   | <b>6,626.1</b>         | <b>6,592.3</b>  | <b>0.5%</b>  | <b>6,640.9</b>  | <b>-0.2%</b> |
| <b>Long-term</b>                                     | <b>567.9</b>           | <b>589.5</b>    | <b>-3.7%</b> | <b>550.8</b>    | <b>3.1%</b>  |
| Financial investments                                | 1.1                    | 1.6             | -31.3%       | 2.1             | -47.6%       |
| Judicial deposits                                    | 258.1                  | 270.0           | -4.4%        | 258.5           | -0.2%        |
| Long-term receivables                                | 2.9                    | 2.4             | 20.8%        | 5.1             | -43.1%       |
| Taxes recoverable                                    | 82.3                   | 151.1           | -45.5%       | 90.0            | -8.6%        |
| Income tax and social contribution                   | 46.7                   | 42.9            | 8.9%         | 45.9            | 1.7%         |
| Derivatives financial instruments                    | 74.9                   | 34.3            | n/a          | 48.0            | 56.0%        |
| Indemnity assets                                     | 92.6                   | 79.2            | 16.9%        | 92.2            | 0.4%         |
| Other non-current assets                             | 9.3                    | 8.0             | 16.3%        | 9.0             | 3.3%         |
| Investments                                          | 60.7                   | 61.6            | -1.5%        | 62.2            | -2.4%        |
| Investments properties                               | 56.3                   | 55.8            | 0.9%         | 56.4            | -0.2%        |
| Property, plant and equipment                        | 3,535.9                | 3,540.2         | -0.1%        | 3,578.8         | -1.2%        |
| Intangible                                           | 2,405.3                | 2,345.2         | 2.6%         | 2,392.7         | 0.5%         |
| <b>TOTAL ASSETS</b>                                  | <b>12,409.7</b>        | <b>11,203.9</b> | <b>10.8%</b> | <b>12,341.0</b> | <b>0.6%</b>  |
| <b>LIABILITIES AND SHAREHOLDERS EQUITY</b>           |                        |                 |              |                 |              |
| <b>CURRENT</b>                                       | <b>2,281.4</b>         | <b>2,259.3</b>  | <b>1.0%</b>  | <b>2,425.8</b>  | <b>-6.0%</b> |
| Suppliers                                            | 1,207.1                | 7,799.3         | 51.0%        | 1,237.1         | -2.4%        |
| Financing and borrowings from financial institutions | 325.7                  | 636.0           | -48.8%       | 444.4           | -26.7%       |
| Tax financing                                        | 9.4                    | 5.0             | 88.0%        | 7.9             | 19.0%        |
| Direct financing                                     | 40.7                   | 163.2           | -75.1%       | 59.3            | -31.4%       |
| Debentures                                           | 1.4                    | 1.8             | -22.2%       | 10.9            | -87.2%       |
| Lease                                                | 83.7                   | 76.2            | 9.8%         | 86.8            | -3.6%        |
| Social security and labor liabilities                | 228.9                  | 193.5           | 18.3%        | 248.4           | -7.9%        |
| Tax liabilities                                      | 126.7                  | 153.8           | -17.6%       | 117.7           | 7.6%         |
| Income tax and social contribution                   | 1.8                    | 1.8             | 0.0%         | 1.8             | 0.0%         |
| Government grant                                     | 10.4                   | 25.8            | -59.7%       | 5.8             | 79.3%        |
| Derivatives financial instruments                    | 5.5                    | 37.6            | -85.4%       | 34.6            | -84.1%       |
| Other current liabilities                            | 240.1                  | 165.3           | 45.3%        | 171.1           | 40.3%        |
| <b>NON CURRENT LIABILITIES</b>                       | <b>2,376.2</b>         | <b>2,159.0</b>  | <b>10.6%</b> | <b>2,310.5</b>  | <b>2.8%</b>  |
| Financing and borrowings from financial institutions | 5,525.4                | 526.1           | -0.1%        | 513.2           | 2.4%         |
| Tax financing                                        | 43.5                   | 25.4            | 71.3%        | 39.3            | 10.7%        |
| Direct financing                                     | 204.5                  | 146.1           | 40.0%        | 202.7           | 0.9%         |
| Debentures                                           | 913.6                  | 860.7           | 6.1%         | 893.4           | 2.3%         |
| Lease                                                | 259.1                  | 273.9           | -5.4%        | 271.3           | -4.5%        |
| Tax liabilities                                      | 0.0                    | 0.3             | -100.0%      | 0.0             | n/a          |
| Deferred taxes                                       | 156.6                  | 6.1             | n/a          | 118.4           | 32.3%        |
| Derivatives financial instruments                    | 69.5                   | 79.8            | -12.9%       | 67.0            | 3.7%         |
| Provisions for civil, labor and tax risks            | 193.4                  | 226.4           | -14.6%       | 195.8           | -1.2%        |
| Other non-current liabilities                        | 10.6                   | 14.2            | -25.4%       | 9.4             | 12.8%        |
| <b>SHAREHOLDERS' EQUITY</b>                          | <b>7,752.1</b>         | <b>6,785.6</b>  | <b>14.2%</b> | <b>7,604.7</b>  | <b>1.9%</b>  |
| Capital                                              | 2,597.7                | 2,597.7         | 0.0%         | 2,597.7         | 0.0%         |
| Capital reserves                                     | 50.8                   | 42.6            | 19.2%        | 47.4            | 7.2%         |
| Accumulated conversion adjustments                   | 2.1                    | 0.3             | n/a          | -0.2            | n/a          |
| Equity valuation adjustment                          | -8.6                   | -60.7           | -85.8%       | -15.3           | -43.8%       |
| Revenue reserves                                     | 4,910.7                | 4,233.7         | 16.0%        | 4,910.7         | 0.0%         |
| (-) Treasury shares                                  | -76.7                  | -81.1           | -5.4%        | -77.0           | -0.4%        |
| Additional dividend                                  | 141.4                  | 0.0             | n/a          | 141.4           | 0.0%         |
| Accrued profit                                       | 134.7                  | 53.1            | n/a          | 0.0             | n/a          |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>     | <b>12,409.7</b>        | <b>11,203.9</b> | <b>10.8%</b> | <b>12,341.0</b> | <b>0.6%</b>  |

**Cash Flow**

| <b>CASH FLOW</b><br><b>(R\$ million)</b>                                        | <b>1Q24</b>   | <b>1Q23</b>  | <b>Variation</b> |
|---------------------------------------------------------------------------------|---------------|--------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                     |               |              |                  |
| <b>Net income before income tax and social contribution</b>                     | <b>190.7</b>  | <b>28.0</b>  | <b>581.1%</b>    |
| <b>Adjustments to reconcile net income with cash from operating activities:</b> |               |              |                  |
| Depreciation and amortization                                                   | 85.9          | 87.6         | -1.9%            |
| Cost on sale of permanent assets                                                | 0.2           | 7.9          | -97.5%           |
| Equity in net income of subsidiaries                                            | 1.5           | 0.8          | 87.5%            |
| Updated financing, debentures and exchange rate variations                      | 71.5          | 31.5         | n/a              |
| Updated financial investment in the long term                                   | 0.0           | -0.1         | -100.0%          |
| Tax credits and updates                                                         | -11.5         | -12.0        | -4.2%            |
| Updated judicial deposits                                                       | -3.4          | -4.2         | -19.0%           |
| Appropriate interest on lease                                                   | 9.3           | 9.0          | 3.3%             |
| Provision and update for civil, labor and tax risks/others                      | 14.6          | 12.2         | 19.7%            |
| Provision (reversion) for expenses/indemnity assets                             | 0.5           | -4.2         | n/a              |
| Recognized shares granted                                                       | 3.7           | 2.9          | 27.6%            |
| Provision (reversion) for losses of clients                                     | 5.7           | 5.1          | 11.8%            |
| Estimated losses due to the reduction in the recoverable amount of taxes        | 0.0           | 0.2          | -100.0%          |
| Provision for income tax of loans                                               | 0.4           | 0.5          | -20.0%           |
| Provision (reversion) for losses in inventories                                 | 2.9           | 1.3          | n/a              |
| Losses (Gains) on derivative contracts                                          | -7.1          | 45.7         | n/a              |
| Provision (reversion) for impairment of assets                                  | 0.0           | -1.2         | -100.0%          |
| <b>Changes in assets and liabilities</b>                                        |               |              |                  |
| Decrease in linked deposits                                                     | 0.0           | 38.8         | -100.0%          |
| Decrease in trade accounts receivable                                           | 172.8         | 128.4        | 34.6%            |
| (Increase) decrease in inventories                                              | -305.7        | 230.8        | n/a              |
| (Increase) in financial investments                                             | -0.2          | -0.3         | -33.3%           |
| (Increase) in taxes recoverable                                                 | 8.2           | 103.5        | -92.1%           |
| Decrease in judicial deposits, net of provisions for risks                      | -13.2         | -13.3        | -0.8%            |
| (Increase) in prepaid expenses                                                  | -4.1          | -9.9         | -58.6%           |
| Decrease in indemnity assets                                                    | 0.3           | 0.5          | -40.0%           |
| (Increase) in other assets                                                      | -14.1         | -14.0        | 0.7%             |
| Decrease in suppliers                                                           | -52.3         | -454.9       | -88.5%           |
| Increase (Decrease) in taxes and contributions                                  | 12.8          | -12.3        | n/a              |
| (Decrease) in social and labor obligations                                      | -19.5         | -58.8        | -66.8%           |
| Increase in government grants                                                   | 4.6           | 0.8          | n/a              |
| Increase in other liabilities                                                   | 69.0          | 14.4         | n/a              |
| <b>Interests paid</b>                                                           | <b>-42.8</b>  | <b>-30.7</b> | <b>39.4%</b>     |
| <b>Receipts of funds for settlement of derivative transactions</b>              | <b>-42.7</b>  | <b>-77.2</b> | <b>-44.7%</b>    |
| <b>Net cash generated from operating activities</b>                             | <b>138.0</b>  | <b>56.8</b>  | <b>n/a</b>       |
| <b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>                                    |               |              |                  |
| Purchase of property, plant, equipment and intangible                           | -34.2         | -20.7        | 65.2%            |
| Payment of debt from purchase of company                                        | -26.5         | -22.7        | 16.7%            |
| Long-term financial investments                                                 | -0.1          | 0.0          | n/a              |
| Redemption of long-term financial investment                                    | 1.1           | 0.0          | n/a              |
| <b>Net cash (used) in investment activities</b>                                 | <b>-59.7</b>  | <b>-43.4</b> | <b>37.6%</b>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                     |               |              |                  |
| Dividends paid                                                                  | -26.9         | -16.8        | 60.1%            |
| Financing obtained                                                              | 148.7         | 158.1        | -5.9%            |
| Payment of financing                                                            | -273.0        | -11.6        | n/a              |
| Lease payments                                                                  | -22.8         | -17.2        | 32.6%            |
| <b>Net cash used in financing activities</b>                                    | <b>-174.0</b> | <b>112.5</b> | <b>n/a</b>       |
| <b>Effects of exchange rate fluctuations on cash and cash equivalents</b>       | <b>2.3</b>    | <b>0.0</b>   | <b>0.0%</b>      |
| <b>Increase (decrease) in cash and cash equivalents</b>                         | <b>-93.4</b>  | <b>125.9</b> | <b>n/a</b>       |
| At the start of the period                                                      | 2,267.8       | 648.0        | 250.0%           |
| At the end of the period                                                        | 2,174.4       | 773.9        | 181.0%           |
| <b>Increase (decrease) in cash and cash equivalents</b>                         | <b>-93.4</b>  | <b>125.9</b> | <b>n/a</b>       |

The statements contained in this document related to the business prospects, projected operating and financial results and growth outlook of M. Dias Branco are merely forecasts and, as such, are based exclusively on the expectations of Management as to the future of the business. These expectations substantially depend on changes in market conditions, the performance of the Brazilian economy, as well as the sector and the international markets, and are thus subject to changes without prior notice.



# M. Dias Branco

Dream, do, grow

Adorita

ADRIA

Bonsabor

DELICIOS

Estrela

finna

FIT FOOD

ff  
FORTALEZA

FRONTERA

isabela

Jasmine

ALIMENTOS  
Las Acacias

Medalha de OURO

Pelaggio

PILAR  
DESDE 1975

piraquê

Predileto  
Vinhos de Qualidade

Puro Sabor

Richester

SAISTOS

smart

TASTE&CO

VITARELLA